BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2009-361-C - ORDER NO. 2009-756

NOVEMBER 3, 2009

IN RE: Application of Image Access, Inc. d/b/a
NewPhone for Flexible Regulatory
Treatment

ORDER GRANTING

FLEXIBLE

REGULATORY

TREATMENT

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the Application of Image Access, Inc. d/b/a NewPhone ("NewPhone" or "Company") for approval of flexible regulation of its local exchange services. A review of the record reveals that NewPhone was granted a Certificate of Public Convenience and Necessity ("Certificate of PC&N") to provide local exchange telecommunications services within the State of South Carolina by Commission Order No. 1999-762, dated October 26, 1999. NewPhone requests expedited review of its request.

Upon the Commission's receipt of NewPhone's Application for flexible regulation of the Company's local exchange services, the matter was published in *The Morning News* of Florence, South Carolina, *The State* of Columbia, South Carolina, and *The Greenville News* of Greenville, South Carolina. No Protests or Petitions to Intervene were received. Furthermore, the Office of Regulatory Staff has filed with the Commission a letter indicating that it has no objection to the approval of NewPhone's request. We will therefore dispose of the matter summarily.

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By its Application, NewPhone requests that the Commission regulate its local telecommunications services in accordance with the principles and procedures established for flexible regulation by Commission Order No. 98-165 in Docket No. 97-467-C. Further, NewPhone requests that the Commission adopt a rate structure that incorporates maximum rate levels for its local exchange service offerings while providing the flexibility to make adjustments below the maximum rate levels in keeping with the procedures established for flexible regulation in Order No. 98-165 in Docket No. 97-467-C.

NewPhone specifically requests that its local exchange tariff filings be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case such tariff filings would be suspended pending further order of the Commission. NewPhone also requests that any tariff filings will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

Flexible regulation of local exchange services has been frequently approved by this Commission to promote competition in the telecommunications industry in South Carolina. We find that flexible regulation will continue to promote competition in the telecommunications industry in South Carolina. Accordingly, we approve NewPhone's request for flexible regulation.

¹ By Order No. 98-165 issued March 5, 1998, in Docket No. 97-467-C, the principles and procedures for flexible regulation were established and first granted to NewSouth Communications, LLC.

IT IS THEREFORE ORDERED:

1. That the local telecommunications services provided by Image Access,

Inc. d/b/a NewPhone shall be regulated in accordance with the principles and procedures

established for flexible regulation first granted to NewSouth Communications by Order

No. 98-165 in Docket No. 97-467-C. Specifically, the Commission adopts for

NewPhone's competitive intrastate local exchange services a rate structure incorporating

maximum rate levels with the flexibility for adjustment below the maximum rate levels

that will have been previously approved by the Commission.

2. That the local exchange service tariff filings of Image Access, Inc. d/b/a

NewPhone are presumed valid upon filing, subject to the Commission's right within

thirty (30) days to institute an investigation of the tariff filing, in which case the tariff

filing would be suspended pending further Order of the Commission. Further, any such

tariff filings will be subject to the same monitoring process as similarly situated

competitive local exchange carriers.

3. This Order shall remain in full force and effect until further Order of the

Commission.

BY ORDER OF THE COMMISSION:

Elizabeth B. Fleming, Chairman

ATTEST:

John E. Howard, Vice Chairman

(SEAL)